

IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

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**STEPHANIE RATCLIFF,**

*Plaintiff,*

**v.**

**KHAN & KHAN HOSPITALITY,  
LLC D/B/A FAIRVIEW INN,**

*Defendant.*

**CASE No.: 1:18-CV-511**

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COMPLAINT AND REQUEST FOR JURY TRIAL

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**NOW COMES** the Plaintiff, Stephanie Ratcliff (“Ratcliff”), and complaining of the Defendant, Khan & Khan Hospitality d/b/a Fairview Inn (“Fairview Inn”), and alleges the following to be true:

**INTRODUCTION**

**1** This action stems from Fairview Inn’s discriminatory termination of Ratcliff based on sexual orientation, as well as Fairview Inn’s refusal to return to Ratcliff numerous tools which belonged to her after her termination.

**2** Each paragraph of this complaint incorporates all others, and all exhibits are incorporated as if fully laid out herein.

## **PARTIES, JURISDICTION, AND VENUE**

**3** Ratcliff is a resident of Guilford County, North Carolina, and is neither a minor nor incompetent.

**4** Fairview Inn is a domestic corporation with a principal place of business and registered agent in Guilford County, North Carolina.

**5** This Court has subject-matter jurisdiction over this action pursuant to any/all of the following:

**5.1** 28 U.S.C. § 1331, as the action arises out of 42 U.S.C. § 2000e et seq.;

**5.2** With regard to Plaintiff's state law claims, 28 U.S.C. § 1367(a), as the state law claims form part of the same case or controversy as those giving rise to original jurisdiction.

**6** This Court has personal jurisdiction over all parties to this matter pursuant to any/all of the following:

**6.1** Rule 4(k)(1)(A) of the Federal Rules of Civil Procedure, which requires the federal district courts to use the rules for personal jurisdiction of the state where the district court is located;

**6.2** N.C. Gen. Stat. § 1-75.4(c) and (d), as Fairview Inn was (a natural person present within this State/a natural person domiciled within this State/a domestic corporation/engaged in substantial business

activity within this state) at the time service of process was made upon it.

**6.3** N.C. Gen. Stat. § 1-75.4(3), as this action arises from a local act or omission causing injury to Ratcliff's person or property.

**7** Venue is proper in this Court pursuant to any/all of the following:

**7.1** 28 U.S.C. § 1391(b)(1), as all Defendants are residents of North Carolina and at least one defendant is a resident of the Middle District of North Carolina;

**7.2** 28 U.S.C. § 1391(b)(2), as a substantial part of the events or omissions giving rise to this action occurred in the Middle District of North Carolina.

### **STATEMENT OF THE FACTS**

**8** Ratcliff is a homosexual female.

**9** Ratcliff has began working for Fairview Inn in 2015 as an on-site maintenance supervisor. Her job consisted of living on-site at Fairview Inn and worked on repairs and remodels of the building.

**10** Ratcliff was improperly classified as a contractor when she was, in fact, an employee.

**10.1** Fairview Inn was Ratcliff's sole employer.

**10.2** Fairview Inn controlled when and where Ratcliff worked, including when she left and arrived at work and when she took breaks.

**10.3** Ratcliff had a set schedule and clocked in and out in the same clocking program used by Fairview Inn employees, but was also on-call for emergencies.

**10.4** Fairview Inn gave Ratcliff her work assignments.

**10.5** Ratcliff was required to perform her assignments personally.

**10.6** Fairview Inn paid Ratcliff on a weekly paycheck.

**10.7** Fairview Inn reported Ratcliff's taxes on a 1099 rather than a W-2.

**11** Fairview Inn's Owners, Khan and Sherry Khan, vocally disapproved of Ratcliff's relationship with her girlfriend, Amna Hussein ("Hussein").

**12** Hussein and the Khans were both Pakistani Muslims.

**13** When Hussein first started dating Ratcliff, Sherry Khan called her and told her she should not be in a relationship with Ratcliff and that it was "not right" because of their religion.

**14** The Khans repeatedly told Hussein that her relationship with Ratcliff was "not right" and that they would find her someone to marry.

**15** When Hussein moved in with Ratcliff, Fairview Inn raised Ratcliff's rent by \$200 per month on the pretense that there was another person living with her, but

heterosexual couples, both guests and other employees, were not charged extra for living with their spouses, significant others, and/or children.

16 It was, in fact, Fairview Inn's policy to charge by the room, not the person.

17 During her time at Fairview Inn, Ratcliff was often called a dike and occasionally threatened by guests or contractors.

18 When Ratcliff reported these instances to her manager, Cindy Henson ("Henson"), Henson would do nothing and tell her to suck it up.

19 Henson herself referred to Ratcliff as a dike on several occasions.

20 On September 12, 2017, Ratcliff went to the HR Manager, Ashley Bullis ("Bullis") to complain about being treated unfairly based on her sexual orientation.

21 The next day, September 13, Bullis told Ratcliff that the Khans wanted her to move off the property.

22 On September 15, Ratcliff contacted Sherry Khan to ask why this was happening but did not receive an answer.

23 On September 18, Henson texted Ratcliff and told her that Khan Khan wanted her keys. A few hours later, Sherry Khan told her to move off property.

24 On September 19, Ratcliff was terminated. She was not given any reason for her termination.

25 While Ratcliff worked for Fairview Inn, she provided some of her own tools.

**26** After Ratcliff was terminated, Fairview Inn would not allow her to come get her tools. They still possess and will not return the following items which Ratcliff purchased herself and owns:

- 26.1** One red Craftsman brand 6 drawer top box containing a number of socket wrenches, saw blades, drill bits, and ratchets;
- 26.2** One red Craftsman brand 5 drawer rolling bottom box containing a number of screwdrivers, Allen wrenches, and a reciprocating saw;
- 26.3** One five-piece home theater speaker system;
- 26.4** Two welding masks;
- 26.5** One black five-gallon dual tank air compressor;
- 26.6** One yellow forced air propane heater;
- 26.7** Two propane tanks;
- 26.8** One regulator hose;
- 26.9** One Poulan brand chainsaw;
- 26.10** One Worx brand electric hedge trimmer;
- 26.11** One blue T-square;
- 26.12** One silver T-square;
- 26.13** One set of black auto ramps;
- 26.14** One black cast-iron water pump; and
- 26.15** One Chicago Electric brand wet saw.

27 Ratcliff filed an EEOC Charge for sex and retaliation discrimination with the EEOC on March 15, 2018.

28 Ratcliff received a Notice of Right to Sue from the EEOC on March 21, 2018.

### **FIRST CAUSE OF ACTION**

#### **Sex Discrimination – Sexual Orientation/Gender Stereotyping**

*Title VII of the Civil rights Act of 1964, 42 U.S.C. § 2000e et seq.*

29 Ratcliff is homosexual.

30 Fairview Inn was aware that Ratcliff is a homosexual.

31 Ratcliff was terminated.

32 There was a causal connection between Ratcliff's sexual orientation and/or failure to conform to gender stereotypes and her termination.

33 Fairview Inn has at least 15 employees.

### **SECOND CAUSE OF ACTION**

#### **Retaliation**

*Title VII of the Civil rights Act of 1964, 42 U.S.C. § 2000e et seq.*

34 Ratcliff engaged in a protected activity by opposing sexual orientation discrimination.

35 Fairview Inn was aware that Ratcliff opposed sexual orientation discrimination.

36 There was a causal connection between Ratcliff's protected activity and her termination.

37 Fairview Inn has at least 15 employees.

**THIRD CAUSE OF ACTION**  
**Conversion**

38 Ratcliff is the owner of the items listed in Allegation 26 *supra*.

39 Fairview Inn wrongly possesses the items listed in Allegation 26 *supra*.

**PRAYER FOR PUNITIVE DAMAGES**

40 As to Ratcliff's claims under federal law, Fairview Inn is liable for compensatory damages and at least one of the following factors was present and related to the conduct for which it is liable:

40.1 Malice;

40.2 An evil motive; and/or

40.3 Callous indifference to a federally protected right.

41 As to Ratcliff's claims under state law, Fairview Inn is liable for compensatory damages and at least one of the following factors was present and related to the conduct for which it is liable:

41.1 Fraud;

41.2 Malice; and/or

41.3 Willful or wanton conduct.

42 Officers, directors, and/or managers of Fairview Inn participated in and/or condoned the conduct constituting the aggravating factor giving rise to punitive damages.



## REQUEST FOR JURY TRIAL

43 Plaintiff requests a trial by jury on all issues so triable.

**WHEREFORE**, the plaintiff respectfully requests this Court that it:

44 Enter Judgment for Ratcliff against Fairview Inn on all causes of action contained Herein;

45 Award Ratcliff damages, including punitive damages, in an amount to be determined at trial;

46 Tax the costs of this action against Fairview Inn and award Ratcliff reasonable attorney's fees as permitted by law; and

47 Grant such other and further relief as the Court deems just and proper.

*Respectfully submitted on this, the 18th day of June, 2018.*

**/s/ WILSON FONG**

*Attorney for the Plaintiff*

NC State Bar No. 50708

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## **CERTIFICATE OF SERVICE**

I hereby certify that on June 18, 2018, I electronically filed the foregoing Complaint and Request for Jury Trial with the Clerk of Court using the CM/ECF system, and upon receipt of Summons from the Clerk, will serve all parties to this matter via US Mail, Certified, Return Receipt to:

Khan & Khan Hospitality, LLC  
c/o Khan A. Khan  
PO Box 49452  
Greensboro, NC 27419  
*Defendant*

**/s/ WILSON FONG**  
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